

Registered Number

1820085

**WILSON BOWDEN GROUP SERVICES LIMITED**

**REPORT AND ACCOUNTS  
FOR THE YEAR ENDED  
31st DECEMBER 2000**



**WILSON BOWDEN GROUP SERVICES LIMITED**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31st DECEMBER 2000**

---

<b>Contents</b>	<b>Page No.</b>
Directors and Advisers	1
Report of the Directors	2
Directors' Responsibility Statement	4
Report of the Auditors	5
Profit and Loss Account	6
Statement of Total Recognised Gains and Losses	6
Reconciliation of Movements in Shareholders' Funds	6
Balance Sheet	7
Notes to the Accounts	8

**DIRECTORS AND ADVISERS**

**YEAR ENDED 31st DECEMBER 2000**

---

**Directors**

D.W. Wilson (Chairman)  
M.J. Stansfield A.R.I.C.S.  
I. Robertson C.A., F.I.Mgt  
N.J. Townsend

---

**Company Secretary**

G.M. Brown F.C.A

**Registered Office**

Wilson Bowden House  
Leicester Road  
Ibstock  
Leicester LE67 6WB

---

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31st DECEMBER 2000**

---

The Directors present their Annual Report together with the Accounts of the Company for the year ended 31st December 2000

**Principal activities and business review**

The company provides administrative services to the Wilson Bowden plc group in the United Kingdom. The Directors consider the year's results to be satisfactory and that the Company's financial resources are sufficient for its future plans.

**Result and Dividend**

The profit before taxation for the year amounted to £378,000 (1999 £191,000)

The directors do not recommend the payment of a final dividend.

**Directors**

The Directors of the Company who have served during the year, are as follows:

D.W. Wilson  
M.J. Stansfield A.R.I.C.S.  
I. Robertson C.A., F.I.Mgt  
N.J. Townsend

No director had any interest in the share capital of the Company at 31st December 2000.

Mr D.W.Wilson, Mr M.J. Stansfield Mr I. Robertson and Mr N.J. Townsend are also directors of Wilson Bowden plc, and their interests in the share capital of the holding company are disclosed in that company's accounts.

REPORT OF THE DIRECTORS

YEAR ENDED 31st DECEMBER 2000

---

**Donations**

Donations during the year for educational purposes, to charity and to local causes amounted to £14,000 (1999 £Nil). No donations were made for political purposes.

**Supplier payment policy**

The company has no trade creditors and accordingly no disclosures are required under the provisions of Statutory Instrument 1997 no. 571

**Auditors**

In accordance with Section 385 of the Companies Act 1985, a resolution proposing the reappointment of Deloitte & Touche as auditors to the Company will be put to the Annual General Meeting

BY ORDER OF THE BOARD



G M Brown  
Secretary  
26th February 2001

YEAR ENDED 31st DECEMBER 2000

---

**Statement of Directors' Responsibilities in Relation to the Accounts**

The directors are required by the Companies Act 1985 to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for the financial year.

The directors consider that in preparing the accounts, the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed and that the statements have been prepared on the going concern basis.

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the accounts comply with the Companies Act 1985.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

YEAR ENDED 31st DECEMBER 2000

---

**Report of the Auditors to the Members of Wilson Bowden Group Services Limited**

We have audited the financial statements on pages 6 to 13 which have been prepared under accounting policies set out on page 8.

**Respective responsibilities of directors and auditors**

As described above, the company's directors are responsible for the preparation of financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

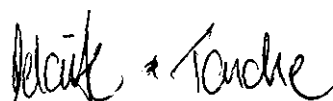
**Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the affairs of the company as at 31 December 2000 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Deloitte & Touche**

Chartered Accountants and Registered Auditors

Colmore Gate

2 Colmore Row

BIRMINGHAM

B3 2BN

26th February 2001

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31st DECEMBER 2000

		2000	1999
	Note	£'000	£'000
Turnover	1	3,954	2,349
Cost of sales		-	-
<b>Gross profit</b>		<b>3,954</b>	<b>2,349</b>
Net operating expenses		(3,576)	(2,158)
<b>Operating profit on ordinary activities before taxation</b>	2	<b>378</b>	<b>191</b>
Taxation on profit on ordinary activities	3	-	-
<b>Retained profit for the financial year</b>	12	<b>378</b>	<b>191</b>

All amounts relate to continuing operations.

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 DECEMBER 2000**

There are no recognised gains and losses for either year other than those included in the profit and loss account for the period.

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS  
FOR THE YEAR ENDED 31 DECEMBER 2000**

	2000	1999
	£'000	£'000
Profit for the financial year	378	191
Shareholders' funds at 1 January	3,689	3,498
Shareholders' funds at 31 December	4,067	3,689

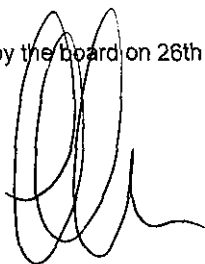


## BALANCE SHEET

AS AT 31st DECEMBER 2000

	Note	2000 £'000	1999 £'000
<b>FIXED ASSETS</b>			
Investments	4	825	825
Tangible fixed assets	5	942	1,001
		1,767	1,826
<b>CURRENT ASSETS</b>			
Debtors due in less than one year	6	5,537	12,078
Cash at bank and in hand		-	73
		5,537	12,151
CREDITORS: Amounts falling due within one year	7	(3,237)	(1,878)
<b>NET CURRENT ASSETS</b>		2,300	10,273
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,067	12,099
CREDITORS: Amounts falling due after more than one year	8	-	(8,410)
		4,067	3,689
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	22,183	22,183
Share premium account		2	2
Profit and loss account - deficiency	12	(18,118)	(18,496)
<b>SHAREHOLDERS' FUNDS</b>		4,067	3,689
Equity interests		(18,033)	(18,411)
Non-equity interests		22,100	22,100
		4,067	3,689

The accounts were approved by the board on 26th February 2001 and signed on its behalf by :



I Robertson - Director

## NOTES TO THE ACCOUNTS

YEAR ENDED 31st DECEMBER 2000

---

**1. Accounting Policies**

The accounts have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The principal accounting policies of the Company have remained unchanged from the previous year, and are set out below.

Basis of Accounting

The accounts are prepared under the historical cost convention. A summary of the more important accounting policies are set out below.

Turnover

Turnover represents inter group charge for administration performed.

Deferred Taxation

The Company does not provide for deferred taxation unless there is a reasonable probability that the liability will crystallise in the foreseeable future.

Cash Flow Statement

The Company is a wholly owned subsidiary of Wilson Bowden plc and the cash flows of the Company are included in the consolidated group cash flow statement of Wilson Bowden plc. Consequently the Company is exempt under the terms of Financial Reporting Standard No. 1 from the requirement to publish a cash flow statement.

Pensions

The Group operates a number of defined contribution pension schemes for certain employees. The Company's contributions to the schemes are charged against profits in the year in which the contributions are made.

Operating Leases

The costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Investments

Fixed asset investments are included in the balance sheet at cost less, where appropriate, provisions for impairment.

Fixed Assets

Fixed assets are stated at cost less depreciation. Depreciation is charged on the cost of assets in equal annual instalments at the following rates:

Freehold land	nil
Freehold buildings	2%
Plant, equipment and vehicles	20% - 33%

## NOTES TO THE ACCOUNTS

## YEAR ENDED 31st DECEMBER 2000

**2. Profit on ordinary activities before taxation**

	2000	1999
	£'000	£'000
Is stated after charging :		
Auditors' remuneration - for audit services	19	7
Auditors' remuneration - for other services	21	-
Operating leases - land & buildings	30	37
Operating leases - cars	85	-
Depreciation	267	127
Profit on sale of fixed assets	4	-

**3. Taxation**

No tax is payable in the year as a result of tax losses brought forward.

The company has carried forward tax losses of £358,000 (1999 : £900,000) to set against profits made in future years.

**4. Investments**

	2000	1999
	£'000	£'000
Shares in subsidiary undertakings at cost at 1 January and 31 December	800	800
Other investments	25	25
	<u>825</u>	<u>825</u>

The principal dormant subsidiary undertakings of the Company, which are wholly owned by the company, and registered in England are set out below.

Trencherwood Homes Limited  
Trencherwood Construction Limited  
Trencherwood Developments Limited

There are a number of further dormant subsidiary undertakings which have not been disclosed since the Directors believe this would result in excessive disclosure.

**5. Tangible fixed assets**

	Freehold Land & Buildings	Plant, Equipment & Vehicles	Total
	£'000	£'000	£'000
<b>Cost</b>			
At 1st January 2000	475	1,058	1,533
Additions	-	256	256
Group transfers	-	(76)	(76)
Disposals	-	(31)	(31)
At 31st December 2000	<u>475</u>	<u>1,207</u>	<u>1,682</u>
<b>Depreciation</b>			
At 1st January 2000	54	478	532
Charge for the year	7	260	267
Group transfers	-	(32)	(32)
Disposals	-	(27)	(27)
At 31st December 2000	<u>61</u>	<u>679</u>	<u>740</u>
<b>Net book value</b>			
At 31st December 2000	<u>414</u>	<u>528</u>	<u>942</u>
At 31st December 1999	<u>421</u>	<u>580</u>	<u>1,001</u>

**6. Debtors falling due in less than one year**

	2000	1999
	£'000	£'000
Other debtors	37	143
Prepayments	117	113
Amounts owed by group undertakings	<u>5,383</u>	<u>11,822</u>
	<u>5,537</u>	<u>12,078</u>

## NOTES TO THE ACCOUNTS

YEAR ENDED 31st DECEMBER 2000

**7. Creditors : Amounts falling due within one year**

	<b>2000 £'000</b>	<b>1999 £'000</b>
Bank Overdrafts	1,002	-
Amounts due to Parent undertaking	395	-
Amounts owed to group undertakings	-	37
Other creditors	8	-
Other taxes and social security	711	656
Accruals and deferred income	1,121	1,185
	<u>3,237</u>	<u>1,878</u>

**8. Creditors : Amounts falling due after more than one year**

	<b>2000 £'000</b>	<b>1999 £'000</b>
Amounts due to parent undertaking	-	8,410

**9. Operating Lease Commitments**

At 31 December 2000 the company had annual commitments under operating leases expiring as follows :-

	<b>2000 £'000</b>	<b>1999 £'000</b>
<b>Land &amp; Buildings</b>		
Over 5 years	40	37
<b>Vehicle Leasing</b>		
Within one year	8	-
Between 2 and 5 years	62	-
	<u>110</u>	<u>37</u>

## NOTES TO THE ACCOUNTS

## YEAR ENDED 31st DECEMBER 2000

**10. Deferred taxation**

Provision / (asset) at 30% (1999 31%)

	<b>Amounts provided</b>		<b>Contingent amounts not provided</b>	
	<b>2000 £'000</b>	<b>1999 £'000</b>	<b>2000 £'000</b>	<b>1999 £'000</b>
Accelerated capital allowances	-	-	(55)	(33)
Other timing differences	-	-	(122)	(307)
	-	-	(177)	(340)

**11. Called up share capital**

There were no changes in share capital during the year.

	<b>No.</b>	<b>Authorised £'000</b>	<b>No.</b>	<b>Allotted Called up &amp; Fully Paid £'000</b>
<b>Equity :</b>				
0.1p ordinary shares	84,000,116	84	83,233,131	83
<b>Non Equity :</b>				
30p 'AF' preference shares	29,466,667	8,840	29,466,667	8,840
30p 'AR' preference shares	27,950,000	8,385	27,950,000	8,385
30p 'B' preference shares	16,250,000	4,875	16,250,000	4,875
		22,184		22,183

The holders of all categories of preference share are entitled to a fixed cumulative preference dividend of LIBOR plus 2% paid on a six monthly basis ranking in priority to dividends paid to holders of ordinary shares, payable out of dividends available and resolved to be distributed, the first such dividend being payable on 30th April 1998. There are no dividend arrears. The preference shareholders have waived their right to such a dividend.

The preference shares carry no voting rights.

On winding up the assets of the company available for distribution among the members, shall be applied in repaying to the holders of the Preference Shares the amounts paid or credited as paid up thereon, together with all arrears and accruals of the fixed cumulative dividend to be calculated down to and including the date of the return of capital, whether or not such dividend has been declared or earned. The Preference Shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company.

**12. Profit and loss account**

	<b>£'000</b>
At 1st January 2000	(18,496)
Retained profit	378
At 31 December 2000	(18,118)

## NOTES TO THE ACCOUNTS

## YEAR ENDED 31st DECEMBER 2000

**13. Staff costs and directors' remuneration**

	<b>2000</b>	<b>1999</b>
	<b>£'000</b>	<b>£'000</b>
Employee costs		
Wages and salaries	2,951	1,479
Social security costs	338	156
Other pension costs	224	92
	<u>3,513</u>	<u>1,727</u>

The average monthly number of persons employed by the Company during the year was as follows :

	<b>2000</b>	<b>1999</b>
	<b>Number</b>	<b>Number</b>
Administration	49	22
	<u>49</u>	<u>22</u>

	<b>2000</b>	<b>1999</b>
	<b>£'000</b>	<b>£'000</b>
Aggregate directors' emoluments	-	45
Aggregate pension contribution to money purchase schemes	-	3

Highest paid director :

Emoluments	-	17
Company pension contribution to money purchase schemes	-	2

The Directors do not receive any emoluments as directors of the Company. All the Directors are also directors of Wilson Bowden plc and their emoluments for services to Group companies are disclosed in the financial statements of Wilson Bowden plc.

Pension benefits are accruing to nil directors (1999 : two) under the Group's money purchase pension scheme.

The Company is part of a deferred bonus plan known as 'The Wilson Bowden Bonus Share Matching Plan' which involves the purchase of shares in the market for distribution to senior management (including executive directors) at a later date. Shares are held in trust until such time as they may be transferred to employees in accordance with the terms of the scheme. Details of which are shown in the Group accounts of Wilson Bowden Plc.

**14. Contingent liabilities**

Wilson Bowden Group Services Limited has guaranteed payments of loans made to subsidiary undertakings.

At 31st December 2000 £3,419,000 (1999 - £Nil) was outstanding under these loans and overdrafts. Contingent liabilities in respect of subsidiary undertakings bank guarantees amount to £6,615,000 (1999 - £Nil)

**15. Pensions**

The Group operates a number of defined contribution pension schemes for certain employees, under which the Company has no obligation, other than to make regular contributions to independent investment managers, at a pre-determined proportion of each participating employee's salary. The Company's contribution to these defined contribution pension schemes amounted to £224,000 (1999 £92,000) and are charged against the profits of the year in which the contributions are made.

NOTES TO THE ACCOUNTS

YEAR ENDED 31st DECEMBER 2000

---

**16. Related Party Transactions.**

As the company is wholly owned by Wilson Bowden PLC, it has taken advantage of the exemption under FRS8 'Related Party Disclosures' not to disclose transactions with other companies in the group.

**17. Ultimate Parent Company**

The ultimate parent company is Wilson Bowden plc, a company incorporated in Great Britain and registered in England.

**18. Group Accounts**

Group accounts have not been prepared as the Company is a wholly owned subsidiary of Wilson Bowden plc. Copies of the parent's consolidated accounts are available from the Company Secretary at Wilson Bowden House, Leicester Road, Ibstock, Leicester LE67 6WB.